



December 10, 2010

Mary Pavel, Esq.  
Sonosky, Chambers, et al.  
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Washington, DC 20005  
Fax: (202) 682-0249

Re: Review of financing documents for the Pueblo of Sandia and request for declination letter.

Dear Ms. Pavel:

This letter responds to your November 19, 2010 request on behalf of the Pueblo of Sandia for the National Indian Gaming Commission's ("NIGC's") Office of General Counsel to review the Pueblo's loan documents with the Bank of Albuquerque ("Bank"). Specifically, you have asked for my opinion whether the documents are management contracts requiring the NIGC Chairwoman's approval under the Indian Gaming Regulatory Act ("IGRA"). You also asked for my opinion whether the financing documents violate IGRA's requirement that a tribe have the sole proprietary interest in its gaming operation.

In my review, I considered the following submissions (collectively, "the Loan Documents") which were represented to be in substantially final form:

- 2010 construction and term loan agreement between Sandia and the Bank of Albuquerque ("Loan Agreement");
- promissory note from Sandia to the Bank ("Note");
- springing depository agreement between Sandia and the Bank dated November 17, 2000, as amended on August 8, 2002, under which the Bank intends to qualify as an additional secured payee to secure the Loan Agreement ("Depository Agreement");
- 2010 security agreement between Sandia and the Bank ("Security Agreement"); and

- intercreditor collateral agreement, Dated November 17, 2000, as amended on September 29, 2003, under which the Bank intends to qualify as an additional collateralized secured payee to secure its pending 2010 loan. (“Collateral Agreement”).

The Loan Documents submitted by Sandia contain terms similar to other agreements the Office of General Counsel has already reviewed and analyzed. *See* [www.nigc.gov/Reading\\_Room/Management\\_Review\\_Letters.aspx](http://www.nigc.gov/Reading_Room/Management_Review_Letters.aspx). Applying the same analysis here, it is my opinion that the Loan Documents submitted by Sandia are not management contracts and do not require the approval of the Chairwoman. It is also my opinion that they do not violate IGRA’s sole proprietary interest requirement.

I anticipate that this letter will be the subject of Freedom of Information Act (“FOIA”) requests. Since we believe that some of the information in this letter may fall within FOIA exemption 4(c), which applies to confidential and proprietary information the release of which could cause substantial harm, I ask that you provide me with your views regarding release within ten days.

I am also sending a copy of the submitted Financing Documents to the Department of the Interior Office of Indian Gaming for review under 25 U.S.C. § 81. If you have any questions, please contact NIGC Staff Attorney Michael Hoenig at 202-632-7003.

Sincerely,



Lawrence S. Roberts  
General Counsel